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Second Session
Geneva, 15 November 1993
Item 4 of the provisional agenda

# PREPARATORY WORK FOR THE UNITED NATIONS INTERNATIONAL SYMPOSIUM ON TRADE EFFICIENCY

## Progress report on the preparations for the United Nations International Symposium on Trade Efficiency

Note by the UNCTAD secretariat

## Introduction

1. The Cartagena Commitment recognized the importance of introducing new techniques in international trade transactions aimed at producing substantial time and money savings. On this basis, UNCTAD VIII defined the broad orientations of UNCTAD's activities in the area of trade efficiency as well as the necessary mechanisms for carrying out such work. Further, paragraph 158 of the Cartagena Commitment indicated that the culmination of these efforts should be an international symposium on trade efficiency to be held in 1994. This event was to reinforce international discussions on the promotion of harmonized national and regional infrastructure for trade and trade efficiency.

2. The terms of reference of the Ad Hoc Working Group on Trade Efficiency, adopted by the Trade and Development Board at the second part of its thirty-eighth session, indicated that the Ad Hoc Working Group is entrusted, inter alia with the responsibility of preparing the United Nations International Symposium on Trade Efficiency. 1/

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1/ The official title of the Symposium is that contained in General Assembly resolution 47/183.

3. The Ad Hoc Working Group adopted its work programme at its first session held in November 1992. Paragraph 3 of the section entitled "Practical organization" stated that all elements of the Ad Hoc Working Group's work programme should converge on the formulation of recommendations for the 1994 Symposium. The timetable attached to the work programme detailed the stages required for the preparation of the Symposium as well as the timing for the substantive discussions of the issues of relevance for the Symposium. The way the timetable was conceived indicated that the substantive preparatory work should be close to completion in advance of the Symposium.

Relevant developments since the first session of the Ad Hoc Working Group

4. The General Assembly, in endorsing the outcome of UNCTAD VIII, made specific reference to a number of issues considered to be of particular importance in the Cartagena Commitment. One of these related to the convening of the Symposium. Thus, in resolution 47/183, entitled "Eighth session of the United Nations Conference on Trade and Development", paragraph 14 endorses the convening in 1994, within existing resources, of a United Nations International Symposium on Trade Efficiency, of one week's duration, and requests the Secretary-General of UNCTAD to make all the necessary arrangements for the Symposium, taking into account the preparatory work of the Ad Hoc Working Group on Trade Efficiency.

5. The Ad Hoc Working Group discussed during its first session and in the period following that meeting, the issue of the venue for the United Nations International Symposium on Trade Efficiency. The decision on this issue was taken by the Trade and Development Board at its 824th (closing) meeting on 26 March 1993. In that decision, the Board welcomed the invitation of the Government of the United States of America and endorsed the holding of the United Nations International Symposium on Trade Efficiency in Columbus (Ohio), United States.

6. The Secretary-General of UNCTAD, in accordance with the request addressed to him by the General Assembly, has taken a number of measures to ensure, at the secretariat level, the conditions for an appropriate preparatory process for the Symposium. Under the Chairmanship of the Secretary-General of UNCTAD, a Steering Committee for the preparation of the United Nations International Symposium on Trade Efficiency was set up. The Steering Committee is composed of Directors of all UNCTAD Divisions and Programmes having a bearing on the Symposium. The Steering Committee has reviewed so far major issues relating to the preparatory process for the Symposium as well as to the organization of the Symposium itself. The Committee also considered the most appropriate arrangements, internal and external, both logistical and substantive, for the preparation of the Symposium.

Cooperative arrangements with other institutions

7. The UNCTAD secretariat has taken the initiative to mobilize to the greatest extent possible the potential of inter-organization cooperation for the preparation of the United Nations Symposium on Trade Efficiency. A Joint Task Force UNCTAD, ITC and Economic Commission for Europe was set up which met regularly in order to review the trade efficiency-related activities and define how best these activities could converge for the preparation of the

Symposium. A similar arrangement is under way with the International Telecommunications Union and close contacts are maintained with the Customs Cooperation Council. The Secretary-General of UNCTAD held meetings with the Heads of these organizations aimed at strengthening such cooperation. The long-standing cooperation between UNCTAD and the Economic Commission for Europe continued in support of WP.4.

Logistical and substantive preparation for the Symposium

8. The UNCTAD secretariat sent a planning mission to Columbus, Ohio, from 28 to 30 June 1993, whose purpose was to evaluate the facilities available in Columbus in the light of the requirements of the Symposium. The principal finding of the mission was that the facilities are adequate and well suited to the requirements of the Symposium. The Convention Centre is designed and equipped in such a way that it should be possible to organize the Symposium itself and the other planned events in closely interrelated but distinct areas. With regard to hotel accommodation in Columbus, Ohio, there are enough rooms of the appropriate standard to meet the needs of the Symposium; there are several large top-quality hotels in the immediate vicinity of the Convention Centre. Throughout their stay in Columbus, the mission members were struck by the very positive attitude, commitment and competence of their hosts and counterparts. The city has a modern infrastructure and a high logistical capacity.

9. In Columbus, the United Nations International Symposium on Trade Efficiency will be the central event. In addition, three parallel non-United Nations events will take place. Their agendas are interrelated with the issues before the Symposium. They are: the Global Executive Trade Summit (involving chief executive officers and senior staff of leading corporations in international trade); the Mayors' Conference (organized by the City of Columbus with the participation particularly of mayors of cities having Trade Points); and the TECHTRADE Show (exhibition of modern technologies, services and strategies for trade efficiency; the participation in the Show will also be open to States represented at the United Nations International Symposium wishing to organize national pavilions).

10. The objectives of the United Nations International Symposium on Trade Efficiency, its possible outcome as well as the best modalities to organize it were examined in recent months. The Chairperson of the Ad Hoc Working Group on Trade Efficiency undertook consultations, with the secretariat and with the members of the Bureau of the Ah Hoc Working Group, aimed at defining a broad framework for the organization of the Symposium. Joint meetings of the internal Steering Committee of the secretariat and of the Bureau of the Ad Hoc Working Group on Trade Efficiency were organized.

11. It was suggested, inter alia, that the United Nations International Symposium should be organized in two parts: one, of two days duration, at Senior Officials level, followed by a two-and-a-half days meeting at Ministerial level. Five working groups, corresponding to the main sectors (procedures, banking, insurance, transport, information) for which recommendations would be prepared for adoption by the United Nations International Symposium, were envisaged to operate during the Senior Official

segment. The Ministerial segment (which might also benefit from high-level attendance) would be devoted to specific issues to be determined.

12. The relationship between the United Nations International Symposium and the other three parallel events will need to be further defined as the preparations for these events, as well as of the Symposium itself, continue to evolve.

13. The process of reflection on this subject is still continuing. The Chairperson of the Ad Hoc Working Group on Trade Efficiency intends to make specific suggestions relevant to the discussion of this agenda item.

14. The Ad Hoc Working Group may wish to consider the above information as well as the suggestions that would be presented at the meeting itself and make recommendations thereon.

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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# Report of the Ad Hoc Working Group on Trade Efficiency on its second session

held at the Palais des Nations, Geneva
from 15 to 19 November 1993

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## INTRODUCTION

1. The Ad Hoc Working Group on Trade Efficiency, established in accordance with paragraph 79 of the Cartagena Commitment (TD/364), held its second session at the Palais des Nations, Geneva, from 15 to 19 November 1993. In the course of the session, the Ad Hoc Working Group held three formal and nine informal meetings.

### Opening statements

2. The **Chairperson** said that the work of the Ad Hoc Working Group was based on the Cartagena Commitment, which was a commitment to a new partnership for development and embodied the spirit of Cartagena: absolute equality, full participation of sovereign nations, and redirection of UNCTAD activities to ensure that they were of direct benefit to member countries.

3. The Trade Efficiency Programme had three immediate benefits - improving market access, increasing the transfer of technology, and increasing participation in global trade. Any one of these was by itself a commendable accomplishment. Collectively, the three formed an extraordinary achievement.

4. There existed considerable synergy for trade. Synergy referred to a situation where the whole was greater than the sum of its parts, and the synergy created by the Ad Hoc Working Group was greater than could have been expected. Originally, there were to have been 16 pilot trade points, but now 50 or 60 trade points were foreseen by the time of the United Nations International Symposium on Trade Efficiency in October 1994. "Synergy for trade" could be the Group's new motto.

5. UNCTAD was to be commended for its cooperation, both with delegations and across the United Nations system. That cooperation had helped produce synergy and generate a programme which, by expanding global trade, would change the world.

6. The **Deputy to the Secretary-General of UNCTAD** said that the discussions of the Ad Hoc Working Group on better business practices would be of direct assistance in identifying the domains in which trade efficiency could best be fostered through practical improvements in trade practices. However, beyond the immediate substantive results of these discussions, the Group's approach to this item would be highly valuable in two additional respects. First, it would indicate whether the method of work adopted in this particular area should be replicated in other sectors of interest to UNCTAD's programme of work in the area of trade efficiency. Secondly, it would allow the Economic Commission for Europe and UNCTAD to illustrate in a concrete and action-oriented fashion the cooperative spirit in which they had been collaborating in this important area of work. It would be useful to know whether and to what extent similar cooperative arrangements should be pursued with relevant institutions in other sectors of interest.

7. The Group would also be discussing important information in connection with the first evaluation of the trade point programme. Those discussions would benefit from the presence of several trade point directors and coordinators, on whom much of the work and the responsibility for the trade point programme were resting. The interest of member Governments in the trade

point programme had not ceased to increase since UNCTAD VIII, as witnessed by the some 50 requests received by the secretariat to establish trade points. On the other hand, however, and contrary to initial expectations, extra-budgetary resources had not increased at the same pace as demands for trade points, which meant doing more with less. In such a situation, no duplication or hesitation could be permitted.

8. The Group would also be assessing the progress made in preparing for the United Nations International Symposium on Trade Efficiency, to be held in Columbus, Ohio, from 17 to 21 October 1994. The time remaining to prepare for a meeting of this importance was very short, and a number of issues were still unresolved, both from a practical and from a substantive point of view. It was hoped that the Working Group's session would contribute to clarifying such issues and proposing practical solutions.

## Chapter I

## FACILITATING TRADE

(Agenda item 2)

9. For its consideration of this item, the Ad Hoc Working Group had before it the following documentation:

"Compendium of trade facilitation recommendations: note by the UNCTAD secretariat" (TD/B/WG.2/6);

"Draft guidelines on better trade practices: report prepared by SITPRO (Simpler Trade Procedures Board of the United Kingdom)" (TD/B/WG.2/6/Add.1/Parts I and II).

10. At its opening plenary, the Working Group decided to pursue its consideration of this item in informal meetings.

11. The Chairman of the Group of Experts No. 1 of the ECE Working Party on Facilitation of International Trade Procedures and a member of the ECE secretariat made a presentation on the objectives and current activities related to trade facilitation and to the use of electronic data interchange (EDI) for simpler trade procedures.

12. The secretariat introduced the "Compendium of trade facilitation recommendations", which was found to be a valuable reference document for those involved in the facilitation of trade procedures. It was agreed that an index would be added to the Compendium and, to the extent possible, an indication of the countries which had ratified or accepted the instruments quoted in the compendium.

13. Some delegations expressed the view that some recommendations in the Compendium relating to the discontinuation of preshipment inspection (PSI) (in particular, recommendations 1.2, 1.3 and 1.42) were not in conformity with the provisions of the Agreement on Preshipment Inspection agreed to on a provisional basis in the framework of the Uruguay Round. Germany indicated that the draft Agreement was only intended to regulate PSI in cases when the latter was requested by a Government. It was agreed that the views expressed would be brought to the attention of the Working Party on Facilitation of International Trade Procedures, from which the recommendations concerned emanated. Reference to this would be made in general terms in a cover note for the Compendium.

14. The Ad Hoc Working Group agreed that the Compendium was a catalogue of existing recommended measures that constituted a useful tool for more efficient trade and, as such, should be included, in all official languages, in the background documentation to be made available in the 1994 International Symposium on Trade Efficiency.

15. A member of the United Kingdom delegation introduced document TD/B/WG.2/6/Add.1, which included draft Guidelines for Better Business Practices. It was agreed that delegations would submit the document to their experts and that a substantive discussion would take place at the third session of the Ad Hoc Working Group.

16. The Ad Hoc Working Group agreed that the method of work adopted for the sector on procedures should be followed for the preparation of the presentations to the Symposium in the other sectors of trade efficiency.

17. With regard to future cooperation between UNCTAD and ECE, the Ad Hoc Working Group agreed that the Bureau of the Working Group should hold consultations with the Bureau of the ECE Working Party on Facilitation of International Trade Procedures in order to identify further means of cooperation with a view to implementing international standards liable to enhance trade efficiency.

## Chapter II

## FIRST EVALUATION OF THE TRADE POINT PROGRAMME

(Agenda item 3)

18. For its consideration of this item, the Ad Hoc Working Group had before it the following documentation:

"First evaluation of the trade point programme: note by the UNCTAD secretariat" (TD/B/WG.2/7 and Add.1).

19. At its opening plenary, the Working Group decided to pursue its consideration of this item in informal meetings.

20. At its closing plenary, on 19 November 1993, the **Working Group** adopted the Chairman's summary on the "First evaluation of trade points" (see annex I).

21. The representative of **Egypt** said he had hoped that the adoption of the text on trade points would be given greater emphasis, in line with the hopes engendered by the programme. With regard to future sessions of the Working Group, meetings should be official in order to ensure their coverage in the Group's report.

22. The **Chairman** said that it would be important to determine how to handle recommendations made by trade point directors in order to be able to compile a complete body of recommendations on the establishment and operation of trade points. The secretariat might wish to reflect on the matter in time for the Group's third session.

23. The representative of **Algeria** said that a number of Arab countries were interested in establishing trade points, as well as creating a network linking trade points with a view to promoting trade both regionally and globally. She therefore called on international and regional financial organizations to provide the necessary funding and on UNCTAD to provide the appropriate technical assistance.

## Chapter III

## PREPARATORY WORK FOR THE UNITED NATIONS INTERNATIONAL SYMPOSIUM ON TRADE EFFICIENCY

(Agenda item 4)

24. For its consideration of this item, the Ad Hoc Working Group had before it the following documentation:

"Progress report on the preparations for the United Nations International Symposium on Trade Efficiency: note by the UNCTAD secretariat" (TD/B/WG.2/8).

25. At its opening plenary, the Working Group decided to pursue its consideration of this item in informal meetings.

26. At the Group's closing plenary, on 19 November 1993, a **representative of the UNCTAD secretariat** reported that the Core Advisory Group of Experts (CAGE) had met twice during the Working Group's session and was now in a position to play a central role in the work of the Working Group and in preparations for the International Symposium in terms of the preparation of documentation for the Working Group's third session and the selection of solutions to be presented at the Symposium.

27. Also at its closing plenary, the **Working Group** adopted the Chairman's draft on "Preparations for the United Nations Symposium on Trade Efficiency" (for the adopted text, see annex II).

28. The representative of **Nepal**, speaking on behalf of the **least developed countries**, expressed appreciation to the Government of the United States for its generosity in providing assistance to the LDCs to participate in the International Symposium. The LDCs requested other donor countries to extend similar assistance, as they had done on other occasions. The LDCs attached great importance to the Symposium, and they would be interested in attending in strength to take full advantage of the occasion.

29. The **Chairperson** said that increased generosity from donors to help LDCs attend the Symposium would be important, and other developing countries might also be in a position to make small contributions as well.

### Closing statements

30. The **Chairperson** said that the Working Group was breaking new ground in terms of establishing close cooperation with a sister organization and pulling together strands from the United Nations system, involving private sector advisers, and looking at real-world issues in a practical way. The aim was to lower the cost of business transactions, which in many cases involved intergovernmental action, and encourage new entrants into international trade.

31. The spokesman for the **Latin American and Caribbean Group** (Mexico) said that the Working Group's session had been extremely useful for countries with trade points or about to establish them.

32. The spokesperson for the **Group of 77** (Algeria) said that the results of the Group's session represented a step forward. It was to be hoped that the Group's third session would prove decisive for the trade points programme and that the Symposium would prove successful. It would be important, at future meetings, to provide documentation in all languages.

33. The representative of **Greece**, speaking on behalf of the **European Union and its member States**, said that the Group's session had been innovative and useful. The European Union and its member States would support all efforts to ensure the success of the Group's third session and of the Symposium itself.

34. The spokesman for the **Asian Group** (India) drew attention to the need for increased resources for the Special Programme on Trade Efficiency in general and technical assistance in particular. The exchange of experience during the Working Group's session had been extremely relevant, and she expressed appreciation for the consensus that had emerged on the Symposium, which reflected the aspirations of all countries present.

35. The representative of **Egypt** expressed the hope that the Symposium would be successful and emphasized the importance of receiving documentation for future meetings in good time.

36. The representative of **China** said that his delegation had appreciated the opportunity to make contact with delegations from countries with trade points.

## Chapter IV

## ORGANIZATIONAL MATTERS

### A. Opening of the session

37. The second session of the Ad Hoc Working Group was opened on 15 November 1993 by the Chairman of the Group.

### B. Bureau of the Ad Hoc Working Group

38. The Bureau of the Ad Hoc Working Group was as elected at the Group's first session, except that Mr. A. Moschini (Argentina) was replaced by Mr. J. Perez Gabilondo (Argentina) and Mr. A. Filippov (Russian Federation) was replaced by Mr. Y. Afanassiev (Russian Federation) as Vice-Chairmen. The Bureau was thus as follows:

| | | |
|---|---|---|
| **Chairman**: | Mrs. E. Shelton | (United States of America) |
| **Vice-Chairmen**: | Mr. A.-R. Al Sohaibani | (Saudi Arabia) |
| | Mr. E. Dreyfous | (France) |
| | Mr. M. Kisiri | (United Republic of Tanzania) |
| | Mr. J. Perez Gabilondo | (Argentina) |
| | Mr. Y. Afanassiev | (Russian Federation) |
| **Rapporteur**: | Mr. A. Brahime | (Morocco) |

### C. Adoption of the agenda and organization of work

(Agenda item 1)

39. At the opening plenary of its second session, the Ad Hoc Working Group adopted its provisional agenda (TD/B/WG.2/5), as follows:

1. Adoption of the agenda and organization of work
2. Facilitating trade
3. First evaluation of the trade point programme
4. Preparatory work for the United Nations International Symposium on Trade Efficiency
5. Provisional agenda for the third session of the Working Group
6. Other business
7. Adoption of the report of the Working Group to the Board.

## D. Provisional agenda for the third session of the Working Group

(Agenda item 5)

40. The **Chairman**, introducing a draft provisional agenda, said that the third session of the Working Group would in fact comprise three elements - the third session proper, Workshop 2 as agreed in the Working Group's work programme, and the preparatory meeting for the International Symposium. With regard to the item on guidelines on key sectors for trade efficiency, the aim would be to produce a consensus text containing non-binding guidelines based on recommendations already approved by Governments in various fora. Documentation for the third session would be distributed well in advance.

41. The representative of **Brazil** said that, since the issue of technology and trade was to be one of the themes for the ministerial segment of the International Symposium, that issue should be reflected in the provisional agenda.

42. The **Chairman** said that the topic would be dealt with as an integral part of the discussion on each individual sector.

43. At its plenary meeting on 19 November 1993, the **Working Group** adopted the provisional agenda for its third session (see annex III).

44. The **Working Group** further recommended to the Board that its third session be held in May 1994, before the Board's mid-term review, for a period of five days but with the possibility of extending to eight days.

## E. Adoption of the report of the Working Group to the Board

(Agenda item 7)

45. The representative of **China**, referring to the Working Group's draft report (TD/B/WG.2/L.4), regretted that it had not been possible to provide some substantive parts of the report at the time of its adoption, and he hoped that this situation could be improved in future.

46. At its closing plenary, on 19 November 1993, the **Working Group** adopted its draft report and authorized the Rapporteur to complete the report as appropriate in the light of proceedings at the closing plenary.

Annex I

# FIRST EVALUATION OF TRADE POINTS

Chairman's summary

## A. TRADE POINT STATUS

On 17 and 18 November 1993, several countries gave presentations on the status of their trade points (TP) at the second session of the Ad Hoc Working Group on Trade Efficiency. The following is a summary, in order of presentation.

### THAILAND

Trade point location: Bangkok

Status: The Bangkok Trade Point was inaugurated in October 1993. The Trade Point has used 120 University (often MBA) students to gather data and disseminate it to the private sector. It found this to be advantageous in terms of cost and effectiveness. It is also looking toward the future, since these students are part of the next generation of Thai entrepreneurs.

The Trade Point uses ETO (Electronic Trade Opportunities). The number of trade opportunities registered has increased from 400 in June 1993 to 4,000. The number will reach 7,000 by the end of the year.

The Bangkok TP has 44 booths which service providers can rent out for US$ 40,000 per year. For this price, they receive furnished offices and use of all TP facilities, including ETO and videoconferencing.

The cost of establishing the TP was approximately US$ 1 million (including US$ 200,000 running costs for the first year).

Thailand plans to set up regional trade points in the future, as well as trade points for particular products. The first product-specific trade point planned is for jewellery in 1994.

### ALGERIA

Trade point location: Algiers

Status: Premises and telecommunication links have been established. Presence of the Investment Promotion Agency and introduction of public-private sector joint venture to further trade efficiency. Participants' offices are in place. The Trade Point should be inaugurated at the end of November 1993. The cost of establishing the TP is estimated at US$ 200,000.

**GERMANY**

Trade point location: Rostock

Status: The premises have been selected. The trade point Manager is currently in the process of coordinating various institutions. Inauguration is expected in the Spring of 1994.

**BRAZIL**

Trade point locations: Campinas and Porto Alegre

Status: The Campinas Trade Point is located at the airport (250 sq.m.). The preliminary budget is $86,000. The expected inauguration date is 20 December 1993. The Porto Alegre Trade Point is also expected to be inaugurated in December during an UNCTAD mission to Brazil.

**CHILE**

Trade point location: Santiago

Status: There was an UNCTAD mission in May 1993. Since then, the project has evolved in its institutional aspects. Currently, they are putting the final touches so as to make Trade Point Chile official as a shareholding company.

**CHINA**

Trade point location: Shanghai

Status: The leadership question has been settled. The vice-mayor of Shanghai is Chairman of the Trade Efficiency Association. Other members include representatives from the Ministry of Foreign Trade and Economic Co-operation (MOFTEC), the Shanghai Foreign Economic Relations and Trade Commission, the Shanghai branch of the People's Bank of China, Shanghai Customs, and the Shanghai Import and Export Commodity Inspection Bureau. Premises are being developed (approximately 750 sq.m.). The TP is financed by the Government and is expected to become operational in March 1994.

**COLOMBIA**

Trade point locations: Cartagena and 53 other towns

Status: The first trade point was established in Cartagena in February 1992. Currently, 14 trade points are in operation around the country. By January, it is expected that 54 will be in operation. The response to the trade points has been very enthusiastic. Thousands of traders have utilized trade point services.

**EGYPT**

Trade point location: Cairo

Status: The Egyptian Government has earmarked US$ 600,000 for trade point start-up costs, including costs of electronic equipment. The UNCTAD-suggested layout was used as the model for the premises. The TP site is hooked up to AT&T Easylink and has begun sending messages. Software has been developed for the TP by local programmers. The first stage of operation begins at the end of 1993.

**UNITED STATES OF AMERICA**

Trade point location: Columbus, Ohio

Status: The essentially virtual (i.e. electronically connected) trade point was inaugurated in October 1993. It is concentrating on trade information.

In the United States, there are over 1,000 private and public organizations which have trade opportunities information. This is overwhelming for the small and medium-sized company. The trade point can bring this information together in one place. Moreover, the TP will make sure that its databases contain only real trade opportunities.

**FINLAND**

Trade point location: Helsinki

Status: One week ago, the Finnish Government announced its decision to establish and finance a virtual TP in Helsinki and to finance the creation of physical TPs in Ukraine and Estonia. All three TPs will be based on UN/ECE WP4 standards.

**UKRAINE**

Trade point location: Kiev

Status: To be established by Finland. The TP will focus on information provision and on assisting traders with trade documentation, particularly electronic messages.

**ESTONIA**

Trade point location: Tallinn

Status: To be established by Finland. The TP will focus on information provision and on assisting traders with trade documentation, particularly electronic messages.

**HUNGARY**

Trade point location: probably Budapest

Status: A core group of people interested in promoting the trade point have been called together. This includes government organizations such as the Ministries of Foreign Affairs and of Transport, Customs, banks, transportation companies, the Chamber of Commerce, insurance companies, etc. The group is having some difficulty resolving the legal framework of an institution blending private and public sector. They also have some financial problems, since companies in Hungary do not have the funds to invest in a project with non-immediate returns.

**INDIA**

Trade point location: New Delhi

Status: The TP is planned for inauguration in January 1994. It will be located in the National Center for Trade Information (NCTI) which is being created with the involvement and participation of the India Trade Promotion Organization (ITPO) and the National Information Centre (NIC). The participation of the ITPO and the NIC would enable linking of the communications infrastructure and trade opportunity databases which will facilitate the activities of the trade point. India is considering opening additional TPs next year.

**IRAN**

The Government is interested in setting up a trade point and would appreciate guidance from UNCTAD as soon as possible.

**MOROCCO**

Trade point location: Casablanca

Status: A transitional TP will be running by the end of 1993.
The permanent TP will be part of the Moroccan Centre for International Trade, to be located in a building currently under construction. The Centre will include an exhibition hall of approximately 10,000 sq.m. and a conference centre seating 1,500 people. Construction will be finished at the end of 1994.

**MAURITANIA**

Trade point locations: Nouakchott and Nouadhibou

Status: The country is in the advanced stages of negotiation with UNCTAD. Two seminars on trade efficiency and facilitation procedures were organized in 1992 and 1993 with the participation of UNCTAD. A TP pilot committee, including representatives of banks, insurance companies, Customs, etc., has been set up. A trade information service has been created at Customs as part of the ASYCUDA project.

**PHILIPPINES**

Trade point locations: Manila and eventually 89 other sites across the numerous islands.

Status: The Manila TP is operational. It is temporarily housed at the Chamber of Commerce. The physical facilities will be ready in February 1994. The TP has ETO and many other databases. By the time of the Symposium seven interlinked TPs are expected. By the end of 1996, that number should increase to 90.

**ROMANIA**

Trade point location: Bucharest.

Status: The Bucharest TP should be operational in early 1994. It will be the hub of 42 TPs to be established in each of the Romanian regions.

**UNITED KINGDOM**

Trade point location: three trial TPs will be operational in 1994 (Bristol, Thames Valley, Birmingham).

Status: The TPs will use existing facilities. These three virtual TPs are now starting with trials of EDI.

**SRI LANKA**

Trade point location: Colombo.

Status: The country is in the process of setting up the local Trade Efficiency Association. They hope to start the TP early next year. They are also interested in creating a product-specific TP for gems and jewellery.

**TUNISIA**

Trade point location: Tunis

Status: The TP has been operational since July 1993. Most users are small and medium-sized enterprises (SMEs). The total initial cost was estimated at US$ 100,000. In October, the TP was present at the Afro-Arab trade fair in Tunis. The TP is located at CEPEX (Centre de promotion des exportations). Information on markets, products, prices and importers/exporters is readily available.

## B. OBSERVATIONS

During the course of their presentations, delegates made the following observations concerning the role of trade points in supporting national economic policies. Based on a variety of experiences, trade point directors noted that trade points are an important national tool for integration with the global economy. They can help implement national economic reform programmes and support economic trade liberalization measures. In addition, trade points create and encourage free competition and strengthen private and

enterprise sector development. They spread the use of technology for trade, and are a force for the development of competitive services sectors. New trade opportunities activate national economic production and investment and bring new employment opportunities.

## C. RECOMMENDATIONS BY THE TRADE POINT DIRECTORS

During the discussion, there was wide agreement among the trade point directors on the following recommendations:

1. Mobilize early and strong high-level support from the private sector and government to ensure smooth establishment.

2. Obtain technical assistance from UNCTAD, as it is essential for the establishment of trade points at various stages of operation. This assistance should be intensified.

3. Ensure that legal matters are clear in establishment procedures. Circulate existing articles of incorporation on a voluntary basis to provide trade points with guidance for their legal frameworks.

4. Develop trade point systems and services before investing in physical infrastructure.

5. Implement already-established international standards, especially UN/EDIFACT, to secure the interconnectivity of trade points within an open system.

6. Develop complementary business procedures and programmes through the trade point network for efficient exchange of information.

7. Develop training programmes to spread the use of international standards and the techniques necessary to use them, especially electronic data interchange (EDI).

8. Increase awareness of the benefits of trade facilitation measures at national levels (in one country, the debates caused by trade point experiences and studies have resulted in the reduction of the number of steps required for a trade transaction from 34 to 11).

9. Use as wide a selection of valid and reputable databases as possible.

10. Explore ways to lower costs of databases to trade points.

11. Increase participation in global trade by focusing assistance on small- and medium-sized enterprises.

12. Harmonize the interests of emerging and small professional associations within the same sector, offering them an opportunity for joint marketing, etc.

13. Provide assistance in trade transactions, as well as information.

14. Communicate with other trade points by use of an electronic newsletter.

15. Invite the Bureau of Working Party 4 of the Economic Commission of Europe to meet with the Bureau of the UNCTAD Ad Hoc Working Group on Trade Efficiency for the purpose of exploring ways of widening cooperation in the implementation of universal standards and trade facilitation processes.

16. Establish regularly scheduled periodic meetings of trade point directors.

17. Request UNCTAD to continue work on the issues of customs, trade facilitation, banking and insurance, information for trade, telecommunications and transport as they relate to the practical issues of trade point operations.

## D. ISSUES REQUIRING FURTHER CONSIDERATION

During discussions it was generally felt that the following issues still required further consideration:

1. How to assist countries in establishing the legal framework of their Trade Efficiency Associations in order to blend private and public entities.

2. How to identify needs of and provide services to new entrants in international trade.

3. How to tailor trade point activities to reach those with the greatest need (i.e. small- and medium-sized enterprises).

4. How to choose trade point participants when there are numerous providers of the same service in the local community.

5. How to avoid monopoly situations when only one service-provider per sector is present at the trade point.

6. How to convince Governments and private and public enterprises to disclose information which they often consider proprietary.

7. Which measures to introduce to assist countries in diversifying from a few traders to many.

8. How to provide reliable databases of local products from economies in transition and other liberalizing economies with constantly changing products available for trade.

9. Determine ways for countries with small and fledgling private sectors to fund trade points, as investors tend to look for projects with immediate returns.

10. Ways of successfully adding investment promotion activities, including the development of, or use of existing, investment opportunity databases, to trade point operations.

11. How to disseminate standards and norms for electronic commerce.

12. Need for a protocol linking trade points.

Annex II

**PREPARATIONS FOR THE UNITED NATIONS INTERNATIONAL SYMPOSIUM ON TRADE EFFICIENCY**

1. As a result of the last joint meeting of the Bureau of the Ad Hoc Working Group on Trade Efficiency, the attached notional schedule can be considered as the current working basis for practical and substantive preparations for the Symposium.

**A. Main elements contained in the "notional schedule"**

2. The Symposium will be composed of a Senior Officials Segment (days 1 and 2) and a Ministerial Segment (days 3 to 5).

3. Senior Officials will:

(i) Receive the presentations and illustrations of the "best solutions" identified for each of the relevant sectors (customs, banking and insurance, transport, telecommunications, information for trade, trade facilitation) by the Working Group and its CAGE, and exchange views, experiences and further information;

(ii) On that basis, they will convey to the Ministers the relevant recommendations already prepared by the Working Group and its CAGE.

4. In the Ministerial Segment:

Trade efficiency will be addressed from a broader policy point of view. On the basis of the recommendations made by Senior Officials, Ministers will be expected to adopt a common declaration. Parts of this could include: (a) guidelines for trade efficiency, which member countries may decide to follow or adapt to their specific needs and situations; (b) expression of support for interconnecting trade points on a worldwide basis; and (c) launching of a technical assistance programme for the benefit of those members that are less advanced in the area of trade efficiency; (d) activities required on the international level to improve the environment for expanded application of international standards, including UN/EDIFACT.

**B. Points remaining to be finalized**

Organization of work in the Senior Officials Segment

5. The Symposium's Senior Officials Segment should be considered an extension of the Working Group and its CAGE. Thus, documents (reports, proposals and recommendations) will not be reopened in Columbus. The "best solutions" identified for the different sectors will be illustrated by videos and multimedia presentations. This segment will be devoted mainly to these presentations and ensuing discussions.

Topics for ministerial meetings

6. Clearly, the topics selected should meet three criteria:

(i) They should allow Ministers to address trade efficiency in an action-oriented fashion; the topics selected should allow practical conclusions and plans for cooperation or reform;

(ii) They should allow Ministers to link the objectives of trade efficiency to their own domestic agenda and broader social and economic objectives (employment, poverty alleviation, acquisition of technology and know-how, ...);

(iii) They should be "staged" in a manner that will attract the interest of participants as well as attention from the media.

7. The Executive Secretary of the Symposium will have the responsibility of setting up an "Advisory Board" composed of internationally known personalities with a record of innovativeness and efficiency and an interest in international trade. These individuals would contribute **in their personal capacity** to enriching and possibly introducing some of the subject-matters to be dealt with in the Ministerial Segment of the Symposium.

Documentation

8. The Bureau reviewed several different options concerning documents for the Symposium. Among the considerations were:

- Image of the meeting to fit the goals and philosophy of the subject;
- Time available for useful discussions and action plans;
- Impact on the media;
- Cost of the Symposium.

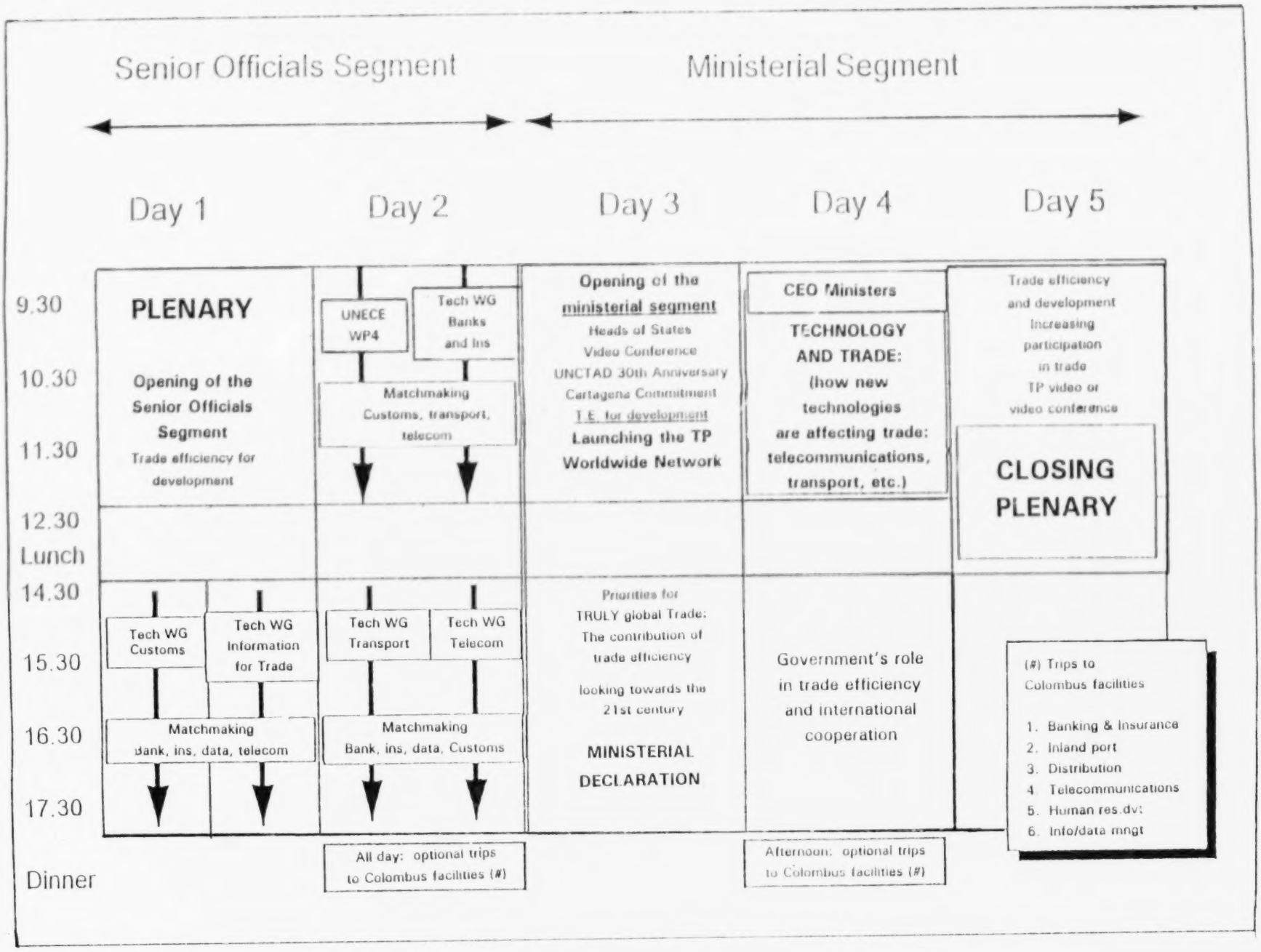
The Bureau recommends that documentation for the Symposium be handled in the following manner:

Working drafts of documents on customs, transport, banking and insurance, information for trade, telecommunications, and better trade practices will be prepared in January 1994, translated into all languages, and distributed by UNCTAD well in advance of the Working Group's late spring 1994 session. This will allow ample time for review

in capitals. Members will hold negotiations on the drafts during the spring (third) session of the Ad Hoc Working Group to produce consensus documents. These documents will be circulated to Governments prior to the Symposium. At the October 1994 United Nations International Symposium on Trade Efficiency, oral, audio and multi-media presentations will be the basis of discussions of "best solutions" during the Senior Officials meetings.

The Working Group will, also at its third session, negotiate a draft "Columbus Declaration on Trade Efficiency" which will be ready for Ministers' final approval at the Symposium.

# NOTIONAL SCHEDULE



Annex III

**PROVISIONAL AGENDA FOR THE THIRD SESSION OF THE AD HOC WORKING GROUP**

1. Adoption of the agenda and organization of work

2. Governments' role in trade efficiency*

3. Progress on implementation of trade points and the trade point programme

4. Preparations for the United Nations International Symposium on Trade Efficiency

5. Consideration of guidelines on key sectors for trade efficiency: customs, transport, banking and insurance, information for trade, trade facilitation and telecommunications

6. Other business

7. Adoption of the report of the Ad Hoc Working Group to the Board.

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* This item will consist of the work envisaged for Workshop 2, as agreed in the Work Programme of the Ad Hoc Working Group.

Annex IV

ATTENDANCE 1/

1. The following States members of UNCTAD, members of the Ad Hoc Working Group, were represented at the session:

Algeria
Argentina
Belgium
Brazil
Canada
Chile
China
Czech Republic
Egypt
Finland
France
Germany
Greece
Hungary
India
Indonesia
Iran (Islamic Republic of)
Italy
Japan
Lebanon
Libyan Arab Jamahiriya
Madagascar
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Norway
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Philippines
Poland
Portugal
Republic of Korea
Romania
Russian Federation
Saudi Arabia
Senegal
Slovakia
Sri Lanka
Sweden
Switzerland
Tunisia
Turkey
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Venezuela
Zambia
Zimbabwe

2. The following other States members of UNCTAD, not members of the Ad Hoc Working Group, were represented as observers at the session:

Austria
Bolivia
Cameroon
Ecuador
Ethiopia
Gabon
Iraq
Ireland
Jamaica
Nepal
Oman
Panama
Peru
Spain
Sudan
Thailand
Viet Nam

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1/ For the list of participants, see TD/B/WG.2/INF.2.

3. The Economic Commission for Europe and the Economic and Social Commission for Western Asia were represented at the session.

The International Trade Centre UNCTAD/GATT was also represented at the session.

4. The following intergovernmental organizations were represented at the session:

African, Caribbean and Pacific Group of States
Customs Co-operation Council
Economic Community of West African States
European Community
Organization of African Unity.

5. The following non-governmental organizations were represented at the session:

General Category

International Chamber of Commerce
World Federation of United Nations Associations.

Special Category

Airlines' Worldwide Telecommunications and Information Services.

6. A representative of the following organization attended the session at the invitation of the UNCTAD secretariat:

Forum Francophone des Affaires.

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